

COMMONWEALTH of VIRGINIA

Department of Medical Assistance Services

PATRICK W FINNERTY DIRECTOR

May 19, 2004

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Theresa A. Pratt Director, Division of Integrated Health Systems Centers for Medicare & Medicaid Services 7500 Security Boulevard, Mail Stop S2-14-26 Baltimore, Maryland 21244-1850

Dear Ms. Pratt:

In response to your correspondence of February 9, 2004, I am submitting the enclosed documents that provide answers to all of the questions posed by CMS regarding Virginia's Section 1115 waiver research and demonstration proposal to establish a Medicaid Buy-In program. As advised by CMS, we have reconfigured the project to have a primary focus on a researchable hypothesis that is expected to demonstrate a successful method for improving employment outcomes for workers with disabilities, which may in turn facilitate enhancements in other state Medicaid Buy-In programs.

With the conclusion of recent State budget negotiations, we anticipate that the Medicaid Buy-In waiver funding will be forthcoming, as the Governor had intended with his original budget submission in December 2003. Representatives of the participating agencies and advocacy organizations who have contributed significantly to the Buy-In project are firmly behind this effort to develop infrastructure and a program model from which to gain experience and support for a future statewide program. We look forward to implementing this Section 1115 waiver in the next year and, therefore, request your continued assistance in working with us to gain approval of our proposal.

Sincerely

Patrick W. Finnerty

Enclosure: DMAS Response to CMS Formal Request for Additional Information

cc: Carey O'Connor Appold, CMS Central Office Tamara McCloy, CMS Regional Office